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BY CAL NARADATE 1/25/0

SECRET

THE SECRETARY OF STATE

WASHINGTON

MEMORANDUM FOR:

THE PRESIDENT

From

George P. Shultz 48

April 15/1986100 Paul Marrie 2 interesting

1. Libya: House Reaction. I briefed the Speaker, Majority Leader Wright, and Majority Whip Foley Tuesday. All supported you. They asked for details, as well as possible Libyan terrorist responses here and worldwide. They were disappointed with the French, and supportive and concerned for Mrs. Thatcher. Speaker O'Neill was very irritated at your remarks to the American Business Council linking Libya and Nicaragua. He questioned the accuracy of your statement, and felt it was unfair to use public support on the Libyan issue against Nicaragua. I told him your remarks were factual and that there is a legitimate linkage between the type of behavior exhibited by Qadhafi and his support for the Sandinistas.

Cap and I later briefed over 200 House members, who asked for more information on damages and casualties. John Seiberling and Norm Dicks asked about War Powers. I reaffirmed that our notification was consistent with our obligations and that if we began a week ago, the element of surprise would have been lost. I also said we need more discipline in both legislative bodies to stop leaks, and Fascell agreed.

- Leahy said he agreed with you, but worries that intelligence disclosures may endanger future collection. I said you felt it was important to present the evidence. Leahy proposed that in the future a bipartisan group of Senators review the intelligence and endorse your decision rather than divulging intelligence publicly. Senator Lautenberg raised consultations. I referred to your Monday meeting with Congressional leaders and noted that if the reaction was totally negative, we could have called off the strike. Senator Byrd objected, calling for "standardized" consultations with the bipartisan leaders and the Chairman and ranking members of the Foreign Relations, Armed Services and Intelligence Committees. Senator Kasten asked about the French, and Senator Boschwitz said he had given the French Ambassador "a piece of his mind." He encouraged other Senators to follow suit. Other questions focused on future Libyan actions and the reactions of the Soviets and our allies. (S)
- 3. Soviet Reaction. The Soviet Government's shrill condemnation tracked its demarche to Art Hartman, but it has announced no new action. The statement terms my planned meeting with Shevardnadze "impossible at this stage" but gives the Soviets room to reconsider. The statement cautions, however, that further US action against Libya could generate significant Soviet moves. Gorbachev's milder remarks to visiting Swedish Prime Minister Karlsson suggest the Soviets regard the Libya clash as a significant but discrete problem in US-Soviet relations and do not intend to halt the US-Soviet dialogue. We will say publicly that we are continuing to prepare for the 1986 Summit to which Gorbachev agreed in Geneva. (8)
- 4. FRG on Libya. I told Genscher we welcomed Chancellor Kohl's condemnation of Libyan terrorist activities and expressed our willingness to follow up on his call for joint international efforts against terrorism. I came down hard, however, on a statement by the Chairman of Genscher's party that our strike was an inappropriate means to combat terrorism and could not be understood. I suggested he emphasize to the press the importance the FRG attaches to the safety of Allied troops in Germany and the determination of the FRG to combat terrorism, and he has since done so.

DECL: OADR